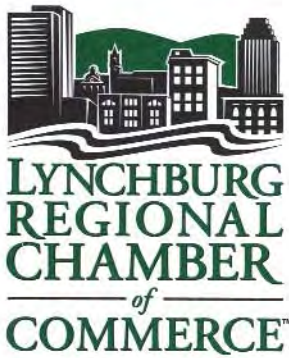




FIVE-YEAR TOURISM PROPOSAL 2006 - 2010





2015 Memorial Avenue
P.O. Box 2027
Lynchburg, VA 24501

September 29, 2005

Mr. L. Kimball Payne, III, Manager
City of Lynchburg
900 Church Street
Lynchburg, VA 24504

Dear Mr. Payne:

On behalf of the Lynchburg Regional Chamber of Commerce and the Lynchburg Regional Convention & Visitors Bureau (CVB), please accept this proposal for the continuation of the Lease and Operating Agreement between the City of Lynchburg and the Chamber for a period of five years beginning January 1, 2006. It is our desire to continue and build on the 13-year commitment to the Tourism Program through the CVB.

The Lynchburg Regional Chamber "serves to strengthen its member businesses and stimulate regional prosperity." With more than 1,000 members, the Chamber represents business and organizations in Lynchburg and several neighboring counties. Through a very active tourism and transportation emphasis, the Chamber impacts the region and communities all along the US 29 Corridor.

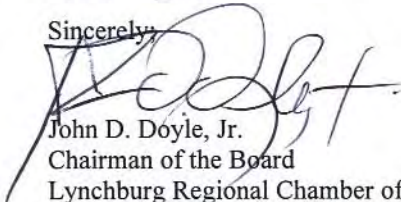
Since 1885, the Chamber has played a vital role in the region's development. The Chamber enjoys the rare distinction of being continuously accredited by the U.S. Chamber of Commerce since 1968. The accreditation program recognizes the nation's most effective chambers of commerce. Our members employ more than half of all the working men and women in the region. The Chamber serves as the premier business advocate in Central Virginia, successfully providing its members and the region with numerous opportunities to grow business. We accomplish our mission by providing services to our members and by working to improve the region's economy. Tourism development is a vital part of the Chamber's integrated approach toward regional economic development.

Through the CVB, the Chamber promotes the region as a desirable destination for meetings, tours, conventions, tournaments, and events. This activity produces room nights for area hotels, stimulates business, and generates tax revenues. The Chamber maintains a highly trained professional staff and enjoys a reputation as a regional leader and the "voice of business." The Chamber's organizational structure enables us to provide the tourism program with many support and communications advantages.

A Virginia Tech performance audit has concluded that the Chamber and its Tourism Advisory Council (TAC) have complied with the terms of the city contract. Furthermore, the project team concluded that our tourism program "has been effective in meeting the goals outlined in its mission statement to promote the Lynchburg region and enhance its image as a destination for leisure visitors, group, and sporting events." The study and the Chamber's Tourism Contract Task Force are suggesting a variety of improvements to the tourism program to be implemented in the new contract, which we will enumerate in our proposal.

Thank you for considering our proposal. We look forward to continuing our successful partnership with the City in an enhanced program to attract visitors to the many Lynchburg area businesses, which benefit from this economic stimulus. As you realize, this strategic partnership will produce increased revenues for the City's various programs and will also enhance the image of Lynchburg and the region.

Sincerely,



John D. Doyle, Jr.
Chairman of the Board
Lynchburg Regional Chamber of Commerce

cc: Tom Aud, Chairman Tourism Advisory Council

Proposal Summary



FIVE-YEAR TOURISM PROPOSAL

2006 – 2010

A Partnership of Success

Adding Value to Regional Tourism

Organizational Chart

People Make the Difference

Producing Impressive Results

**Forward Look for
Tourism Operations**

Proposed Contractual Arrangement

Proposal Summary

The power of the partnership between the City of Lynchburg and the Lynchburg Regional Chamber of Commerce has resulted in a tourism program that is viewed as effectively promoting the Lynchburg region as a destination for visitors. Building on this program's strong performance, as documented in this proposal, the Chamber is seeking to continue the successful 13-year relationship.

The region's largest and oldest business association, the Chamber is uniquely qualified to promote regional tourism interests and propel the program to meet immediate and future challenges. From city to city and state to state, tourism programs are referred to by different labels, creating confusion for potential visitors and those desiring to invest in the community. Consumers do know, however, that a community's chamber of commerce dispenses information on tourism as well as a broad array of business concerns. As the obvious "front door of the community," the Chamber is usually the first point of contact.

With more than 1,000 member businesses, the Chamber is tightly networked to the region's economic engine and positioned to represent area interests at the local, state, national, and global levels. The federation of community and state chambers and the US Chamber benefit the Lynchburg Regional Chamber by sharing best practices, professional development, advocacy, and critical contacts on virtually any subject.

The Chamber serves to strengthen member businesses and stimulate regional prosperity. Our expansive network, developed programming capabilities, highly-trained staff, altruistic volunteers, extensive physical resources, and directed synergy combine in a living organization that adapts to a rapidly-changing competitive environment. By serving the individual needs of businesses, and by working to improve various aspects of the region's economy, the Chamber holistically addresses many of the region's most vital concerns.

This proposal includes an overview of the history of regional tourism, current programming, personnel and other resources, accomplishments, a performance audit, tourism trends, financial data, the Chamber's vision for the future, and program enhancements that will span the next five years. This information is presented in a convenient tabbed format for your easy reference.

A Partnership of Success: One of the longest accredited chambers in the nation, the Lynchburg Regional Chamber has worked with the City of Lynchburg since 1993 to invite visitors to "Discover Lynchburg.... In Every Direction!"

Adding Value to Regional Tourism: Through synergy, the Chamber leverages its own assets for the benefit of tourism – thus, positively impacting economic development and the creation of wealth for residents, businesses and local governments. By bolstering businesses and providing much-needed revenue to local governments, this effective tourism program improves the quality of life for all residents. An array of nationally-recognized communications vehicles enable the Chamber to tout the accomplishments and direction of the tourism program.

People Make the Difference: Four full-time tourism employees provide a wealth of experience in directing the region's comprehensive tourism development strategy. Seven travel counselors welcome thousands of visitors to Lynchburg and handle tens of thousands of inquiries each year. In addition, five Chamber specialists add vital expertise to the tourism program in finance, marketing, management, and flow of information. This flexible staffing arrangement and in-house talent minimizes the expense of outsourcing and duplication in staffing and purchasing. This innate efficiency allows scarce tourism dollars to be directed most effectively, producing more bang for the buck.

Producing Impressive Results: In addition to fostering regionalism, this section highlights a sampling of tourism accomplishments and offers an array of graphs and charts to demonstrate measurable results.

Investing in Lynchburg's Economy: Financial accountability and planning are integral parts of any business plan. While most economic functions are judiciously documented on a day to day basis, the Chamber provides a number of Value-Added services to which economic reports have neither attached a monetary value, nor applied for reimbursement. Some of those areas are accounted for in this section.

Moving Forward with Clear Vision: Even an accomplished organization can benefit from periodic examinations. In 2005, the Chamber contracted with Virginia Tech to provide a Performance Audit to provide a voluntary outside perspective to assist in the visioning process for Tourism's successful future. Adding findings of that audit to other leadership and best practices sources, this proposal outlines recommendations in marketing, governance, performance measurements, internal and external communications, and revenue sources.

Executive Summary of the Audit: Findings and recommendations of the contracted Performance Audit are summarized in this section. The primary findings of the performance audit are that the tourism program is in compliance with requirements detailed in the contract and that the program has been effective in meeting its mission to promote the Lynchburg region and enhance its image as a destination for leisure visitors, groups and sporting events.

A Worthy Marketing Plan: This is an appendix containing samples of a number of specific marketing projects undertaken by the Chamber's Tourism Division.

Financial Statement: Enclosed are the financial audits, see Appendix A, of the Chamber and its Tourism program prepared by Cherry Bekaert & Holland. Their financial information is confidential and proprietary information and exempt from FOIA release. Please keep the information in Appendix A confidential.

The pie chart, Tourism Non-Reimbursed Expense Items, Appendix B page 1, demonstrates that the Chamber has gone far beyond its pledge to spend every dollar it receives from the City contact toward tourism programming and promotion. It is estimated that the Chamber has provided the regional tourism program with \$434,355 in in-kind contributions during the 5-year contract period. This generous donation to the tourism program comes from non-reimbursed expenses associated with advertising, promotion, building maintenance, equipment usage, database maintenance and staffing.

Composite bar graphs, Appendix B pages 2 to 4, demonstrate the increasing importance of the Chamber's and tourism program's websites in dispensing valuable information about the region, the community and their hospitality amenities. While other forms of contact (walk-ins, telephone and postal) are declining in a manner consistent with national trends, Appendix B pages 5 to 6, the dramatically increasing inquiries via the internet have pushed tourism requests for information to all-time highs. As the "community's front door," the Chamber's website directs thousands of potential visitors to the tourism website, to more than 1,000 member businesses and a full-range of regional amenities.

In summary, the Chamber has essential competitive advantages that make it the best choice for successfully carrying forward the City of Lynchburg's tourism program. The Chamber's extensive organizational structure, regional business network, effective communications vehicles and highly-trained staff are unique to the Lynchburg region. The results and accomplishments of the program speak for themselves. If there were any doubts about the quality of the tourism program, the recent Virginia Tech performance audit provides additional assurances that the tourism program is in good hands and "effective."

In the past five years, the Chamber has instituted sweeping improvements to lift the program to a higher level. Combining tourism and sports development allows the tourism division to address the full-range of visitor opportunities. Enhancements to the Chamber and CVB websites are enabling the tourism program to address a dramatically-growing number of visitor inquiries. A greater emphasis on customer service is resulting in more repeat business from groups and individuals visiting our region.

The Chamber and a newly-configured Tourism Advisory Council being proposed will implement several program enhancements recommended by the Virginia Tech performance audit. These improvements to governance, benchmarks and communications will lift the tourism program to an even higher level of responsiveness and effectiveness. In addition, the Chamber and CVB are logical choices to lead the business community and City of Lynchburg in consideration and planning for a regional visitor center to take advantage of changing traffic patterns.

A Partnership of Success

In 1993 the City entered into an agreement with the Lynchburg Regional Chamber of Commerce to manage the City's Tourism Program. A component of Economic Development, at that time, the Tourism Program consisted of two full time and several part time employees.

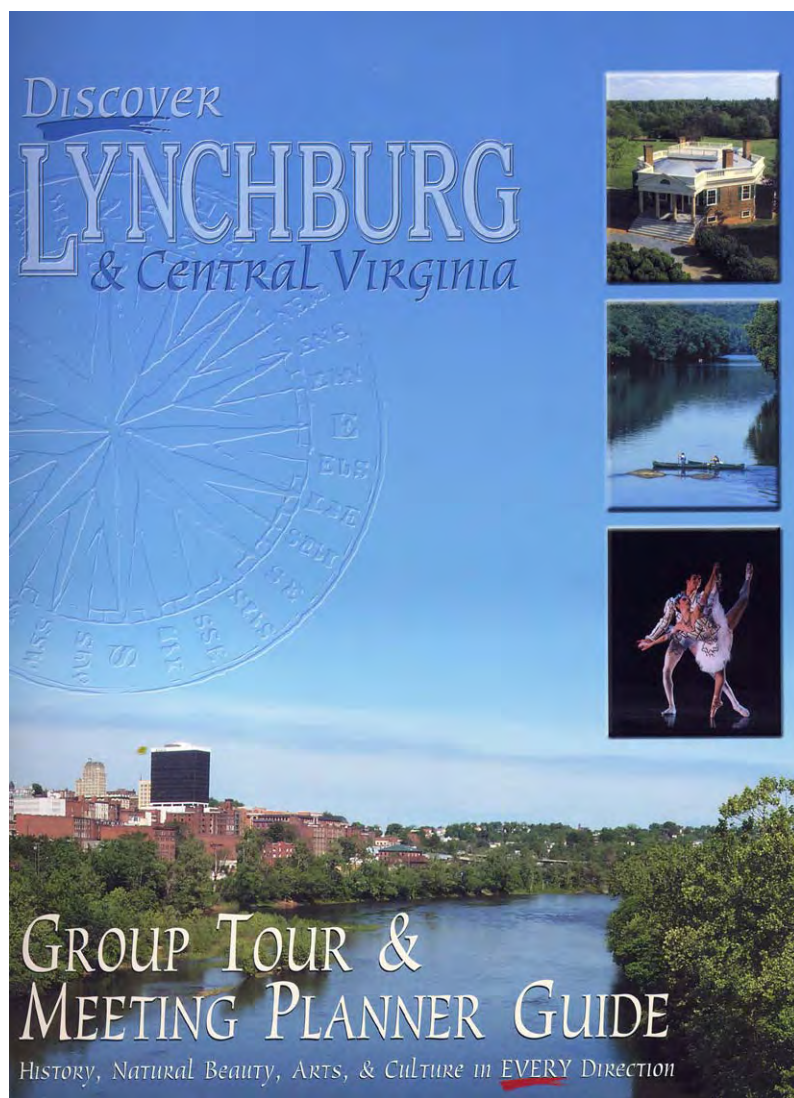
Since 1885, the Chamber has played a vital role in the region's development. The Chamber enjoys the rare distinction of being continuously accredited by the U.S. Chamber of Commerce since 1968. The accreditation program recognizes the nation's most effective chambers of commerce. Our members employ more than half of all the working men and women in the region.

The Chamber serves as the premier business advocate in Central Virginia, successfully providing its members and the region with numerous opportunities to grow business. It accomplishes its mission, to "serve and strengthen its member businesses and stimulate regional prosperity," by providing services to members and working to improve the region's economy. With more than 1,000 members, the Chamber represents business and organizations in Lynchburg and several neighboring counties.

Through the consistency of a multi-year contract, the Chamber has been able to build the tourism division's marketing and advertising as well as programming. The steady funding stream from the City has allowed the Chamber to achieve steady and measurable results.

Some noteworthy accomplishments include:

- Initiated and fosters regional alliances within the tourism industry through cooperative marketing, advertising, and joint projects and programs.
- Generated sales leads, from January 2001 through August 2005, which resulted in more than \$1.1 million in lodging room revenue, directly impacting area innkeepers.
- Responded to more than 90,000 print advertising inquiries at our Lynchburg Visitor Information Center since January 2001.
- Created a marketing strategy to include the purchase of advertising, brochures, promotional items and other necessary materials to promote the Lynchburg region and invite visitors to *Discover Lynchburg...In Every Direction!*



Adding Value to Regional Tourism

There is an intrinsic value-added relationship by partnering the Lynchburg Regional Convention & Visitors Bureau (CVB) with the staff and resources of the full Chamber of Commerce. This is an asset that cannot be reproduced elsewhere.

The Chamber is unilaterally viewed as the community's front door, especially to those seeking travel and relocation information. Because the City of Lynchburg has had the foresight to actively align itself with the inherent Chamber benefits, the Tourism program has enjoyed growing success in its primary economic development objectives for the City, as outlined in this document. This partnership has produced room tax revenue growth every year, with the exception of the months immediately following the September 11, 2001 tragedy, during which time the international tourism industry suffered unilaterally. In 2005, we anticipate these revenues to increase at a greater rate than ever before.

Simply utilizing the benefits of a shared physical facility and equipment results in a reduced need for additional purchases and personnel for many Tourism efforts. For example, Tourism can frequently bypass the need of contracting with an outside firm for services in document design, proofreading, and marketing materials production.

Because Lynchburg is the regional hub for lodging, linking Tourism and Chamber marketing drives up the impact of "heads in beds" and other related tax revenue generators for the City. The Lynchburg Regional Chamber's partnerships with surrounding area chambers also enhance similar Tourism efforts for partnering with Amherst, Appomattox, Bedford, Campbell, and Nelson Counties.

For information on the free advertising/communications vehicles, please see the chart Marketing Publications Appendix B on page 7.

The Chamber also provides personnel for financial management, communications vehicles, event planning assistance, and receptionist services, all working together to reduce redundancy and to foster a creative team environment. An organizational flow chart of the Chamber infers the cross-flow of expertise and assistance from which Tourism benefits on a regular basis. *(This organizational flow chart can be found in the next section.)*



The Chamber provides staffing and office space for the Committee to Advance the TransDominion Express (committee meeting shown above), a statewide committee to create modern passenger rail from Southwest Virginia to Washington, DC and Richmond, through a hub in Lynchburg. This is a project expected to heavily impact regional tourism.

Furthermore, Tourism plays a vital role in the region's economic development and has a direct correlation with statewide and regional transportation issues, major areas of the Chamber's advocacy program. Through this active tourism and transportation emphasis, the Chamber impacts the region and communities all along the US 29 Corridor.

The Chamber and the CVB make available to the 20,000 students enrolled in our region's colleges and university information helpful to the new and returning students as well as their visiting parents.

The CVB exhibits at new student orientation events, and works with the institutions in having them provide venues for high profile sporting events such as the Virginia High School League State Football and Basketball championships. The colleges and universities provide alternative space for meetings, conferences and events through our Group Sales efforts, resulting in overnight stays.

We have assisted in the coordination of graduation ceremonies to streamline the influx of visiting family members and to maximize occupancies and revenues for the area innkeepers by encouraging sequencing of events and graduations rather than overlap.

The LRCVB pie charts, Appendix B page 8, demonstrate that the Chamber has supplemented the tourism budget with an increasing amount of income from events and merchandise sales, underwriting the staffing and programming expenses. Proceeds from the city lodging tax is the primary source of income for the tourism program, followed by grants during the past five years. Staff and marketing are the leading two expenses for the period.

The LRCVB bar graphs, Appendix B page 9, demonstrate that in 2005 the City of Lynchburg has collected the highest amount of lodging taxes in the history of the program – finally eclipsing the decrease resulting from the September 11 attacks and the national plunge in tourism. With the exception of the 9/11 decrease the program has generated a steady increasing amount of revenue since the Chamber/City partnership began 13 years ago.

Other sources of income generated from events, merchandise sales and grants have grown to all-time highs during the five-year period, Appendix B page 10. This is in large part due to the Chamber merging with the Sports Capital of Virginia and delegating its events to the tourism division. This merger has brought the nationally prestigious BB&T Virginia Ten Miler and the Hall of Fame athletic recognition program under the auspices of the tourism division. Last year, the Chamber and the tourism program presented a check to the City of Lynchburg for \$429,054.41 as a result of a long-range fundraising effort for improvements to City Stadium, the home of the Lynchburg Hillcats professional baseball team.



Tourism staff exhibits at the Virginia Association of Convention & Visitors Bureaus Annual Meeting.

Tourism development is a vital part of the Chamber's integrated approach toward regional economic development. Through the CVB, the Chamber promotes the region as a desirable destination for meetings, tours, conventions, tournaments, and events. This activity produces room nights for area hotels, stimulates business, and generates tax revenues. The Chamber maintains a highly trained professional staff and enjoys a reputation as a regional leader and the "voice of business." The Chamber's organizational structure enables us to provide the tourism program with many support and communications advantages.

The Chamber is effectively leveraging City lodging tax dollars by attracting increasing amounts of grants, merchandise income and event revenue. **In addition, the Chamber is contributing an estimated \$434,355 in resources and services to greatly strengthen the program's ability to invest in more staffing and marketing** (see Appendix B page 7).

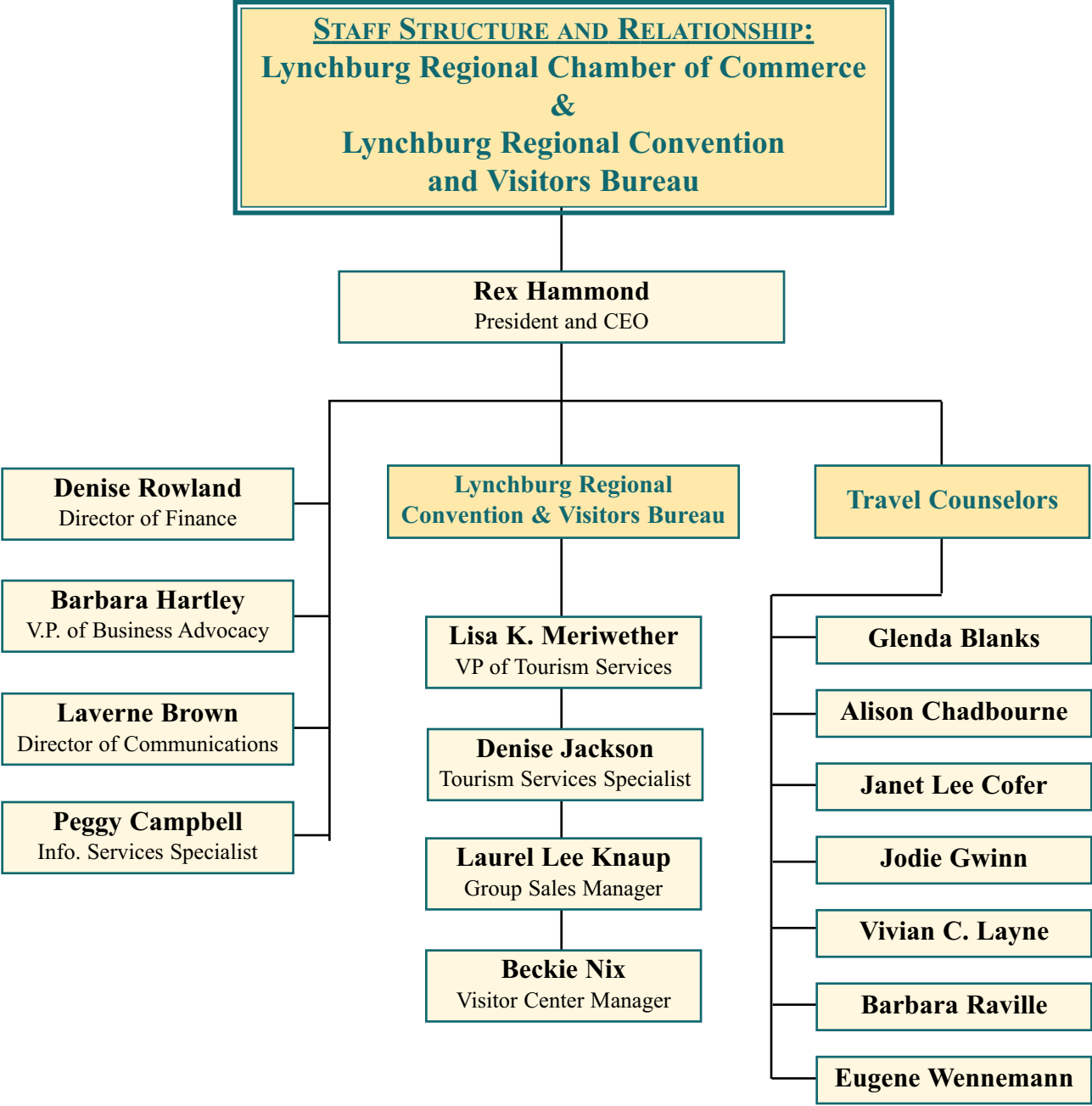
With its "heads in beds" philosophy, and by promoting regional attractions, the Chamber's business model is the most effective approach available for investing and leveraging the limited tourism budget. The power of partnership has produced substantial results for the Lynchburg region. By continuing and building on the successful Chamber/City partnership, tourism will continue to grow as a vital aspect of the region's economy.

With the exception of the 9/11 decrease the program has generated a steady increasing amount of revenue since the Chamber/City partnership began 13 years ago.

Among the Chamber's communications vehicles are:

- Commerce Report - Chamber's monthly newsletter inserted in The News & Advance with an estimated circulation of 40,000.
- Shop Lynchburg Region First - monthly direct mail packet combining Chamber news with member promotions, mailed to more than 1900 business professionals.
- Chamber Happenings – weekly email highlighting Chamber events and programming, sent to nearly 2,000 business professionals.
- Fax Blast – bi-weekly communication sent to nearly 800 businesses throughout the region.
- Business and Tourism Linked Websites – with more than 65,000 moves a month on the Business Directory section alone.
- Lynchburg Life – a nationally awarded magazine and premiere marketing, relocation and tourism tool.
- And, dozens of other specialty publications.

Organizational Chart



People Make the Difference

CVB Staff Members

Lisa K. Meriwether, Vice President of Tourism Services



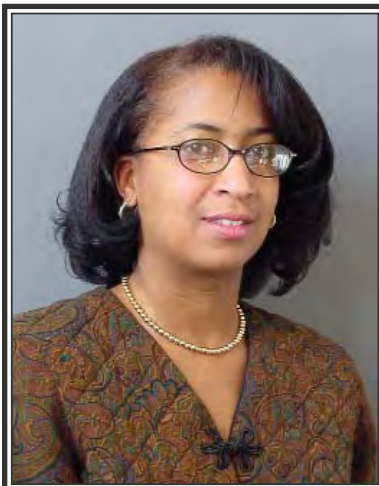
The Vice President of Tourism Services is responsible for carrying out the mission of the Lynchburg Regional Convention & Visitors Bureau (CVB). Lisa manages, plans, develops, and implements all activities of the CVB and supervises all staff assigned to the division.

A 21-year veteran of the hospitality and sales industry, she began her employment in the Chamber's Tourism Division and the CVB in 2000, as Group Sales Manager. In 2001 she was promoted to Vice President of Tourism Services at the Chamber. Lisa is dedicated to the enhancement of regional economic development through promotion of the Lynchburg region as a destination for leisure visitors, group and sporting events.

Lisa has worked for several hotel chains, including the Radisson and Sheraton Corporations, handling corporate and association sales markets. Her involvement with the Virginia Association of Convention & Visitors Bureaus (VACVB) has included several board appointments culminating in

her current tenure as its President for 2005/06. Lisa's relationship with the Virginia Tourism Corporation (VTC) has led to formation of alliances for opportunities to build and expand the Lynchburg Tourism Program. She was appointed by the VTC to serve on the Educational Planning Committee for the Virginia's Governors Conference on Travel & Tourism in 2005, and serves as liaison on the Lynchburg 2007 Community Program, created by the Jamestown 2007 Commemorative Committee. She often addresses association and organizational meetings on the benefits of regional partnerships and tourism as a vital economic development component.

Denise Jackson, Tourism Services Specialist



The Tourism Services Specialist works closely with the VP of Tourism in managing multiple division projects including advertising, public relations, promotion activities, electronic and direct mail campaigns and market research.

Denise, who graduated from Eastern New Mexico University with a double major in Marketing and Business Administration, has held this position for almost four years. She is responsible for working with the Tourism staff on multiple projects including, but not limited to, public relations, promotion activities, coordinating meetings, assisting with trade shows, designing the Calendar of Events brochure, maintaining the CVB database, electronic and direct mail campaigns, managing and updating information for the website.

Denise is also responsible for the smooth management of the BB&T Virginia Ten Miler as the Co-Race Organizer. Her responsibilities include: overseeing volunteers, reserving facilities, designing printed materials, securing sponsorships, and coordinating with various City of Lynchburg public safety officials.

Prior to working with the CVB, Denise served as Vice President of Lovern Advertising. During her 11.5 years with the firm, she assisted in marketing and advertising plans, developing radio and television scripts, layout and design of ads and printed materials, media scheduling, management of accounts and bookkeeping.

CVB Staff Members

Laurel Lee Knaup, Group Sales Manager



The Group Sales Manager implements the sales goals and marketing efforts of the Tourism Department and assists the Vice President of Tourism in development and execution of the Tourism Business Plan. When Laurel began working at the Chamber two years ago, her duties included sales for association, corporate, government, and motor coach markets. Her position has grown to include sports sales. Laurel is also responsible for the maintenance of effective working relationships with hospitality peers, planning and oversight of promotional tours, writing requests for proposals, conducting sales missions to solicit groups to come to Lynchburg and the region. Laurel travels extensively in the promotion of Lynchburg and the Region as a travel destination. She designs and oversees tradeshow themes and displays, as well as collateral material.

Laurel's past employment experiences assist in her success in the tourism industry. They include five years as a teacher/mentor, college recruiter, several years in the theatre/film industry, and a history of providing customer service in sales. She is a graduate of Sweet Briar College, and the recipient of Who's Who Among American Teachers for the 7th and 8th editions. She brings strong presentation and communications skills, to the Division.

Beckie Nix, Visitor Center Manager



The Visitor Center Manager supervises the efficient operation of the Lynchburg Visitor Information Center, part of the Lynchburg Regional Convention & Visitors Bureau (CVB), providing comprehensive travel information and trip planning assistance to the traveling public.

Managing the Center since 2003, Becky created a new Visitors Center Souvenir and Gift Shop while supervising the seven member travel counselor staff. Responsibilities include scheduling, data compilation and tracking for weekly, monthly and quarterly reports. Having run her own business for many years, she brought with her experience in purchasing, inventory control and merchandising for the successful gift shop. Beckie also travels locally and statewide, promoting Lynchburg and the Region as a travel destination.

Beckie served for seven years as President of the Appomattox County Chamber of Commerce, during which time a formal Tourism effort was created for the first time, working with the Virginia Tourism Corporation. She was instrumental in the design and production of the first Appomattox promotional brochure, development and implementation of a marketing plan, and several grant applications to be used for historic designations, Main Street programs, and other tourism related projects. Her strengths from 16 years in public relations, marketing, and management are added to her numerous involvements in volunteer efforts.

Travel Counselors

The Travel Counselor provides comprehensive and accurate travel information and trip planning for Lynchburg and other areas in the state, with the main objective being to have more people staying longer and spending more money in Lynchburg.

Glenda Blanks



Glenda's tourism experience includes working at CVB for the past eight years. She also has worked in the Gift Shop at Point of Honor for the past 10 years. Other customer service experience includes employment at several retail establishments over the past 16 years, making her uniquely qualified in customer service.

Alison Chadbourne



Alison has 31 years experience as an educator with a proven ability to work with people, possessing expansive communication and motivational skills. She has worked as a volunteer with the D-Day Memorial in Bedford from 2000 to 2003, and as a docent and a tour guide for multiple groups, coordinating volunteer activities.

She has served at the CVB since 2003, where she thoroughly enjoys her duties. She brings valuable insight to visitors and those considering relocation to the area. Alison travels to promote Lynchburg and the Region. She also works as a tour guide for Lynchburg Historic Tours, and for other organizations specializing in local history.

Travel Counselors

Janet Lee Cofer



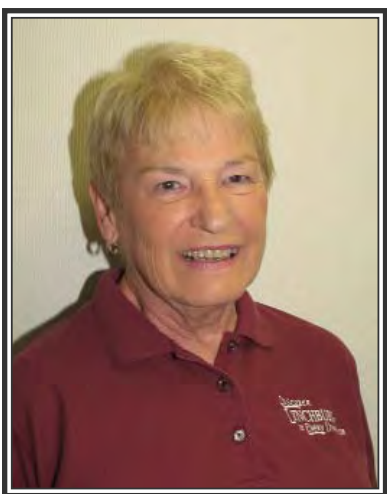
Janet has been employed at the CVB since 1997, originally volunteering her services. Her duties include greeting visitors, answering the telephone, stocking, organizing and distributing relocation and tourism packages, and preparing mass mailings.

Her tenure with General Electric/Ericsson, Inc. for 38 years, as an Administrative Assistant in the manufacturing, engineering, finance, marketing, information systems, internal auditing, and legal matters prepared her for the rigors of customer service vital to the CVB. Janet's positions involved contact and communication with local and company-wide officials and the general public. She organized and coordinated on and off-site business and social company meetings while serving as meeting hostess. She also assisted with the marketing of "Win Share" promotional displays, served on the local company safety committee, assisted with internal local company audits, and provided assistance with local OSHA

and EPA conformance issues.

Having held a wide variety of positions in the educational, medical, retail, and travel fields over thirty years, her career experiences have led to development of diverse skills required to effectively serve as a travel counselor. She demonstrates effective communications by providing concise and direct information essential to the success of the tourism program. She has a high level of customer service satisfaction derived from her many years of related experience.

Jodie Gwinn



Having held a wide variety of positions in the educational, medical, retail, and travel fields over thirty years, Jodie's career experiences have led to development of diverse skills required to effectively serve as a travel counselor. She demonstrates effective communications by providing concise and direct information essential to the success of the tourism program. She has a high level of customer service satisfaction derived from her many years of related experience.

Travel Counselors

Vivian C. Layne



After receiving her Master Travel Diploma in May of 1995 from the North American Correspondence Schools, she sought a position in the travel and tourism industry. She loves to assist family, friends and associates with planning trips. A native of Lynchburg, Vivian has developed an appreciation for the area's many attractions and our wealth of history and natural beauty.

Years of telemarketing have honed her telephone skills, and her background in office software has made her irreplaceable in the generation of tracking data for reporting purposes.

Vivian is currently pursuing her bachelor's degree in business, and plans to continue her career in travel and tourism.

Barbara Raville



Barbara has worked for the CVB for the past six years. She enjoys her primary responsibilities of greeting visitors to Lynchburg, answering telephone inquiries, and fulfilling requests for information and relocation packets. Barbara utilizes her previous retail experience in merchandising the gift shop. Her more than 40 years in the nursing field have enhanced her communications and perceptive skills, affording her an instinctive ability to see a need, and the desire to fulfill it.

Eugene Wennemann



Eugene brings 30 years of managerial experience to his position at the CVB. Educated at Perdue University, he traveled extensively in his career, interacting on domestic and international levels in transportation and marine construction. Eugene gives his weekends to care for travelers visiting our area. He has enjoyed his past three years assisting them at the CVB, and looks forward to a long tenure with the tourism program.

LRCC Staff Members Assisting with Tourism

Rex Hammond, President and CEO, Lynchburg Regional Chamber of Commerce



The President is the Chief Executive and Administrative Officer of the organization and is responsible to the Board of Directors for overseeing and managing the overall functions of the Chamber.

Rex Hammond is the President & CEO of the Lynchburg Regional Chamber of Commerce (LRCC). Spanning a career of 21 years, Rex has managed chambers of commerce in South Dakota, North Carolina and Georgia prior to moving to Virginia seven years ago. He earned his MBA degree with honors from Lynchburg College, and received his bachelor's degree from South Dakota State University in journalism. He is a graduate of the U.S. Chamber of Commerce Institute for Organization Management at Stanford University. He is a recipient of the Certified Chamber Executive (CCE) designation from the American Chamber of Commerce Executives.

Involved in tourism development since 1984, Rex was responsible for creating a Convention & Visitors Bureau in Aberdeen, South Dakota.

He has managed tourism programs and initiatives in four states, and has worked with state tourism departments on a variety of tourism projects in three states.

Denise Rowland, Director of Finance



The Director of Finance is responsible for the financial administration of the LRCC and its Tourism operation. The director prepares financial statements, handles payroll, accounts payable and receivable, and all of the other expected financial duties.

Having relocated from Alaska, Denise holds an AAS in Accounting from Central Virginia Community College, with a 4.0 GPA. She has been Director of Finance for the LRCC since 1999. In addition to finances, Denise also processes membership renewal notices and correspondence.

Denise shares her irreplaceable financial management and tracking talents with the Tourism Division, keeping track of monetary flow and other budget concerns as she works closely with the Tourism Vice President.

Bold text in the LRCC Staff information refers directly to Tourism efforts.

LRCC Staff Members Assisting with Tourism

Barbara Hartley, Vice President of Business Advocacy



The Vice President of Business Advocacy is responsible for carrying out the mission of the Lynchburg Regional Chamber of Commerce in the areas of legislative affairs, government relations, communications, economic, community and workforce development. Barbara serves as the Chamber's active liaison/participant on related committees within the Lynchburg region and the Commonwealth. She manages the Business Advocacy Division and supervises all staff assigned to its functions, programs, projects and activities.

Barbara came to the Chamber four years ago with a background rich in a variety of exposures and competencies, which include degrees in education and communications/marketing/advertising design. Professional experience includes expertise as senior copywriter and art director for a number of advertising agencies. She is also an experienced account manager in production of collateral advertising materials and commercial printing.

Barbara has also worked as a professional writer, photographer, and editor of a regional business magazine. These skills, combined with her sales and classroom teaching communications made her an easy choice for her many related responsibilities at the Chamber.

Barbara assists the Tourism division in branding, copywriting and providing design direction for marketing materials. She is also the editor for all major Chamber and Tourism public documents.

Laverne Brown, Director of Communications



The Director of Communications works with the Vice President of Business Advocacy in the production and control of printed and electronic communications. This position also is responsible for network management and all matters concerning Internet technology.

Having previously held positions as public relations assistant for the Bedford County Public Schools and graphic artist for Belk Department store, Laverne has designed and managed ad placements for many years. Additionally, she worked for a commercial printer in the desktop and pre-press department, handling full color artwork and other print media. Laverne holds an AAS in Graphic Communications from Central Virginia Community College and a BA in Business Administration from Averett University.

Laverne has served as Director of Communications for the LRCC for past eight years, handling all Chamber marketing materials as well as the design and print of various tourism related materials. She is also responsible for all vendor contracts entailing related materials. In addition to maintaining the Chamber's website, she also oversees linkage with the Tourism website. Laverne maintains the operation of the Chamber and Visitors Center computer network to include software, hardware and Internet functions.

LRCC Staff Members Assisting with Tourism

Peggy Campbell, Information Services Specialist



The Information Services Specialist is responsible for managing all aspects of customer service at the LRCC's front desk. This includes handling all incoming calls, greeting and assisting walk-in visitors as well as mailings, postage, etc.

Peggy has been with the Chamber for a year, a welcomed and inviting addition to the team. Her past experiences included responsibilities as a purchasing assistant at Lynchburg College, and a buyer at Glad Manufacturing. Additional fiscal and bookkeeping talents help her to maintain the hectic responsibilities of maintaining the Chamber's nerve center.

Among Peggy's responsibilities are taking calls related to Tourism inquiries and Chamber-sponsored sports events like the BB&T Virginia Ten-Miler. She personally handles relocation packet requests, Tourism call flow, the Tourism RSVP lists for the various Chamber and Tourism related events, and she interfaces daily with the Travel Counselors regarding crossover inquiries.

Producing Impressive Results

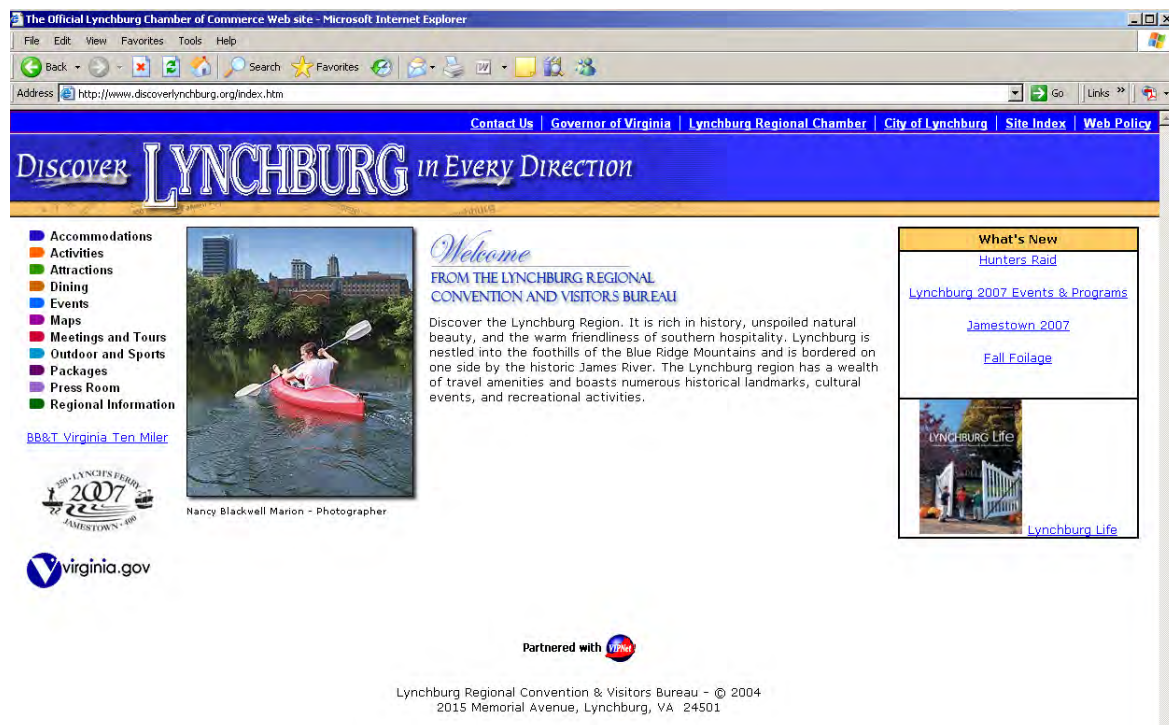
Over the past five years of the Chamber's Tourism contract with the City resulted in profound accomplishments for promotion and revenues generated for the City and the region. A number of them are listed below.

- The Chamber and the Tourism program presented a check to the City of Lynchburg for \$429,054.41 as a result of a long-range fundraising effort for improvements to City Stadium, the home of the Lynchburg Hillcats professional baseball team.
- Initiated and fosters regional alliances within the tourism industry through cooperative marketing, advertising, and joint projects and programs.
- Generated sales leads, from January 2001 through August 2005, which resulted in more than \$1.1 million in lodging room revenue, directly impacting area innkeepers.
- Responded to more than 90,000 print advertising inquiries at our Lynchburg Visitor Information Center since January 2001.
- Created a marketing strategy to include the purchase of advertising, brochures, promotional items and other necessary materials to promote the Lynchburg region and invite visitors to *Discover Lynchburg...In Every Direction!*
- The tourism division partnered with the Historic Sandusky Foundation in producing the "Battle Of Lynchburg" audio tour. An important component of the tour is the addition of six additional Virginia Civil War Trail markers to Lynchburg.
- The Teaching Learning Network featured the Lynchburg area in its 30-minute show, "America's Hidden Jewels." Our area was featured in a 6-7 minute segment and was broadcast on the Travel Channel in Spring 2003.



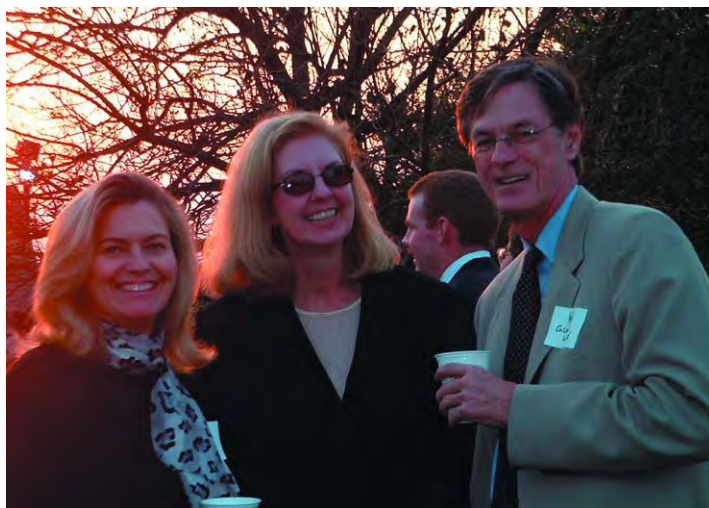
Tourism staff exhibiting at Bracey State Welcome Center.

- Redesigned the Tourism section of the Chamber's web page and will continue to make improvements to meet the needs of our tourism partners.
- Spearheaded the Lynchburg 2007 Community Program and established Lynchburg as an official pilot community for the Jamestown 2007 - 400th anniversary.
- Completed and launched the new Tourism website. The website provides the viewer with a broader overview of all our areas many attractions, lodging, dining, events, and shopping. This site is the first of its kind to offer a data push from the Virginia Tourism site.



Webpage

- Hosted a three-day Hospitality area for the Virginia High School League State Basketball Championships. Each year Lynchburg hosted the event. This event produced more than 1,000 room nights to the Lynchburg area each year.
- Produced a new Tourism video, which is used daily at the Lynchburg Visitor Information Center and sent to motorcoach operators, meeting planners and travel writers.
- Featured in the June 2004 issue of Southern Living magazine. The article was a cooperative effort between the City of Lynchburg, Lynch's Landing and the CVB.
- Produced the Lynchburg Hospitality Guide and distributed it to all 10 State Welcome Centers, the Visitor Information Center and provided to area lodging facilities.



Staff and board member enjoy Jefferson's Assembly .

- Completed the new Athletic Facilities Guide. This updated guide showcases our region's sporting venues and will be used as our main marketing tool to attract sporting events to our region.
- Improvements made to the Visitor Information Center have included: dimensional displays of attractions, the opening of our new gift shop, increased staff training, and improvements to physical structure and surrounding grounds.
- Increased merchandising by 231% with the opening new gift shop in 2003.

- Cooperatively worked with local lodging establishments to present a combined presence at the Virginia Society of Association Executives Fall Market Place. Requests for proposals are received and leads sent out to area hotels.



Lynchburg Visitor Information Center

- Created and launched a multi-postcard mailer that focused on motorcoach operators who are members of American Bus Association, National Tour Association, and Travel South. This mailer included pre-packaged itineraries from the Group Tour and Meeting Planner Guides.
- Since the merger of the Sports Capital of Virginia with the Chamber in 2001, the Tourism program has annually organized and produced the prestigious BB&T VA Ten-Miler, Four-Miler, and the Amazing Mile Run for children.

- Cooperatively bid to bring the Men's and Women's 2003 Big South Basketball Championships to Lynchburg. Televised nationally on ESPN2 and the Big South Television Network, the college basketball championship games for the Big South Conference were hosted by Liberty University with the cooperation of City representatives. This produced more than 500 area room nights, creating positive national exposure for Lynchburg.



- Organized several Lynchburg area Sports Hall of Fame Banquets creating an awareness of the importance of sports and sporting events to the development of young people and our area economy.
- Conducted two website training sessions for event holders to assist with entering their events on the Tourism website.
- Participated in National Tourism Week, hosting five-day celebrations for visitors and residents of Lynchburg. The celebrations included wonderful events such as book signings, trolley tours, living history characters, horse drawn carriage tours, local food and beverage showcases and more.
- Exhibited several times at State Welcome Centers and providing Lynchburg informational packets to statewide visitors.
- Created new Civil War brochure showcasing significant Civil War sites in and around Lynchburg.
- Hosted a Civil War Familiarization Tour with Group Leaders attending from as far away as New York. The FAM tour showcased our Civil War attractions and history to encourage the creation of Civil War Tour Packages for their customers.
- Worked cooperatively with the Lynchburg Historic Foundation, in producing the second Historic District Brochure which now includes the Rivermont and Pierce Street Renaissance District.
- Made regular appearances on the WLNI bi-weekly radio program, “The Morning Line” to educate the community on tourism and it’s benefit to the local and regional economy.

Please see attached charts illustrating successful lodging tax revenue generation, visitation numbers, and other tourism contacts, found in Appendix B page 11.



The Reverend Mr. Jerry Falwell with Rex Hammond at the Virginia Association of Chamber of Commerce Executives Annual Meeting, hosted by the Lynchburg Chamber



Travel Counselors working the Chamber's Connections Trade Show.

Fostering Regionalism

- Worked cooperatively with regional Tourism partners to successfully host a variety of city-wide events, including 2001 and 2005 Harley Owners Group State Road Rally, the 2001 and 2007 Dixie Youth World Series, and multiple years for Camp Jeep.
- Participated in a regional coalition that created a brochure and media package, highlighting the 1864 Virginia Raid of Union General David Hunter, called the Hunter’s Raid Civil War Trail.
- Initiated regional cooperative marketing to include advertising in the *Virginia State Travel Guide*, Amherst, Appomattox, Nelson counties, Poplar Forest, and Lynchburg.

- Developed regional alliances with hospitality partners in providing cooperative support for the creation of the African-American Heritage Signage program, linking the Legacy Museum with other African-American heritage sites throughout our region.
- Conducted a 5-day sales mission to Pittsburgh, PA in 2004 and made presentations to 15 AAA Motor Clubs, as well as exhibiting at the Allegheny Sports & Outdoor Travel Show. The sales mission was a joint effort between the CVB, VTC and the VACVB.
- Assisted several times in coordinating and staffing a “Sunrise Side of the Blue Ridge” Hospitality/Information tent at the Camp Jeep event at Oak Ridge Estates. The “Sunrise” branding was created to promote the areas of Lynchburg, Nelson and Charlottesville. The three-day event attracts 2,500 jeeps and more than 7,500 people to our area from all over the country. This event consistently produces more than 1,000 room nights in the Lynchburg area.
- Hosted the Virginia Tourism Corporations annual Regional and Local Visitor Center FAM Tour and Seminar in 2004. More than 80 state, regional and local welcome and visitor center staff participated in the multi-day event that included trips to local and regional attractions. This event was made possible with regional cooperation from the Amherst, Appomattox, and Nelson County tourism offices.
- Facilitated two Tourism Training 101 classes that drew regional attendance from hospitality industry.



Laurel Knaup and a sales manager from the Holiday Inn Select exhibit at the annual Fall Marketplace for the Virginia Society of Association Executives.

Forward Look For Tourism Operations

Understanding that the City desires to further enhance tourism in Lynchburg, the Chamber welcomes the continued partnership with the City to manage and operate the Lynchburg Regional Convention & Visitors Bureau. Under the new contract, we propose to manage and operate the Lynchburg Visitor Information Center, providing a direct sales effort in soliciting and recruiting meetings, conventions and sporting events, promoting Lynchburg through advertising and marketing, and continuing to build local and regional partnerships with industry stakeholders.

Based on the Performance Audit by Virginia Tech, the Chamber is prepared to utilize suggestions to take us to the next level of successful operation. The study has also been instrumental in recognizing a need to clarify governance issues for a smoother transfer of information among the City, Chamber staff, and stakeholders. This would involve a revamping of requirements for Tourism Advisory Council (TAC) seats.

The Chamber plans to leverage City funds through a combination of efforts, some of which have already been begun. Although no City funds have been allocated for this, the Lynchburg 2007 Community Program designation, partnered with the statewide Jamestown 2007 celebration, positions Lynchburg on the drawing card, attracting touring history buffs from all over the country and beyond. Working cooperatively with surrounding counties' tourism efforts have already proven beneficial for Lynchburg, as shown in the "Accomplishments Tab" of this document. These efforts are ongoing for that reason. Likewise, our new "data-push" website is state-of-the-art, working directly with the Virginia Tourism Corporation's Electronic Marketing Division. At this time, this is still a fairly new addition to our total marketing plan, and shows worthy returns.

Keeping an eye toward future possibilities, the Chamber is seriously advancing the idea of a Regional Visitor / Business Center, a one-stop location with a co-location structure for a new Visitor Center and Chamber offices. The best-case scenario would also include space for other economic development oriented organizations.

The CVB has already been pursuing a policy recognizing that restaurants and hotels, the hospitality industry as a whole, must be showcased apart from Chamber membership. Please note the second part of the Chamber's mission statement "and to stimulate regional prosperity," has always, and will continue to cover this particular need.

Additionally, the CVB's gift shop plans to expand its merchandise, based on the growing success of attractions like the National D-Day Memorial in Bedford, Poplar Grove Golf Course in Amherst County, Thomas Jefferson's Poplar Forest and its continuing excavations in Forest, improvements to downtown, Monument Terrace, and Lynchburg's several historic districts. All of these are reasons to dedicate money to tourism. Because Lynchburg is the hub providing travel lodging for the surrounding attractions, the City stands to benefit from promoting attractions both in and outside of city limits.

Having invested in the Performance Audit for this reason, the Chamber is already examining viable suggestions for improvements. Recommendations from the Study's Executive Summary are included as follows:

Governance – Recommendations (TAC)

- TAC - The project team recommends that the role and composition of the Travel Advisory Council be specified in future contracts. Best practices indicate that the CVB Advisory Council should include a representative from each of the communities located in the CVB service area and at least one representative from each of the primary tourism stakeholders served (i.e. lodging, attractions, restaurants, etc.).
- TAC - The project team recommends that the CVB consider developing a Travel Advisory Council member application form that assesses an applicant's tourism industry experience, his/her ability

to meet the time commitments required of council members, and personal marketing and strategic visioning skills. For reference, the Performance Audit provided a copy of the Tourism Advisory Council Member Application Form for Prince Edward Island. *(Sample application form is found in the Appendix E page 1 of this document.)*

- Specifically, the Chamber proposes revision of the TAC membership requirements, all participants to possess active professional knowledge of and/or active employment within the Tourism/Hospitality Industry, in the following format.
 - It should be comprised of nine members.
 - Six of these would serve 2-year terms with a limitation of three consecutive terms.
 - These would include two representatives from attractions, two from hotels, and two from the general business community, with a possible preference for restaurateurs or others with peripheral involvement in the hospitality industry.
 - From each of these three groups, one would be appointed by the City and one appointed by the Chamber's Board of Directors.
 - Both appointing groups must ratify each appointee.
 - The other three members would include the City's Economic Development Director, the Chamber President, and the Chamber's Vice President of Tourism.
- These TAC members would be selected and begin service in 2006, and at that time would address the following responsibilities:
 - They would have oversight of the Tourism budget, working directly with the Chamber's Finance Committee.
 - They would have broad authority to make recommendations.
 - They would have access to the annual audit of Tourism expenses as they are provided to City Council.
 - They would review the detailed recommendations of the *IACVB Recommended Standard CVB Performance Reporting – A Handbook for CVBs*, for recognition and adoption of applicable standard CVB performance reporting techniques. *(This document is found in the Appendix E of this Proposal.)*

CVB Operations and Performance - Recommendations

- Internal Communications: The project team recommends that Chamber/CVB staff and management continue to take steps toward improving internal communications. The Chamber has taken steps toward that end by engaging staff and management in communication and leadership workshops.
- Performance Measures and Reporting: The Lynchburg CVB should develop a method for obtaining, analyzing and reporting the results of their performance. The project team recommends the performance reporting techniques outlined in the IACVB's recommended handbook. This duty will be undertaken by combining CVB efforts TAC recommendations, as noted previously in this section.

Tourism Stakeholders - Recommendations

- Communications with Stakeholders: To increase and improve communication with stakeholders, the project team recommends the CVB:
 - Share the information collected and prepared for internal reports with stakeholders until a formal performance measurement has been identified, and
 - Conduct bi-monthly forums that would allow stakeholders to participate in discussions with CVB management and staff.
- Economic Indicators: The CVB should develop benchmarking indicators against other CVBs to measure performance on a periodic basis. These comparisons should then be communicated with tourism stakeholders and the Lynchburg community.

Performance Measurement & Benchmarking (PMB) - Recommendations

- Funding: The Lynchburg Regional CVB receives its funding from revenue generated by room stays in the City of Lynchburg, events, and merchandise sales. Peer CVBs have larger operating budgets because they receive funding from all of the communities they serve. The CVB may wish to consider such an arrangement to improve its competitive position versus its peer organizations.

Currently, the primary source of the CVB's funding comes from revenues generated from the City of Lynchburg's occupancy tax and \$1 fee per room/night of which the CVB receives approximately \$0.35 for each \$1.00 charged (see calculations and chart Appendix B page 11). Additional funding is generated through events and gift shop sales.

- Internet: The CVB should attempt to increase its web presence by including key words on their web page to increase the likelihood of "hits" and, utilizing Meta Tags ("comments" in the source code) to make it easier for users to find the web site.

Plans for Further Revenue:

- Annual fees for Accommodations speed dialed from Visitor Information Center, new reservations desk.
- Annual fees for hospitality related businesses placing Dura-Trans advertisements at the Visitor Information Center.
- Increased sales due to expansion of merchandise and product line for new gift shop. Projected annual sales after expansion (based on 2.5 times previous 12 months) would provide \$65,000.00 per year.
- Web sales of merchandise from gift shop. (no previous data to make projection).

Proposed Contractual Arrangement

The current contract contains a funding formula that had been pieced together over the 13 year relationship of the existing contract. This formula is unnecessarily arduous and complex. The historic data showing the previous funding is included in Appendix B page 11. The average percentage of lodging taxes paid to the Lynchburg Regional Chamber is 35.8% averaged over the last five year period. We propose simplifying the funding formula by earmarking 35.8% of the total lodging taxes as the funding for the Tourism Program. This approach would be easier to compute, track, and understand. This proposal funding system will provide a steady funding source enabling the CVB and TAC to plan for each ensuing year. Finally this approach is revenue neutral – no increase or decrease from past funding.

For the proposed funding the Chamber will provide the following:

- Management and operate the Visitor Center at location(s) as specified by the City of Lynchburg.
- Staffing for the TAC.
- A broad range of brochures to promote regional hospitality assets
- A statewide network to distribute promotional brochures.
- A nationwide initiative to promote tourism amenities using leveraged (regional) dollars.
- Identification of opportunities where sponsors might consider Lynchburg as their designated site. Includes, but not limited to convention, meetings, and sporting events.
- Solicit these sponsors to increase overnight lodging in Lynchburg facilities and spend at associated businesses and attractions.
- Staff support, materials, and proactive communication to ensure customer satisfaction and increase repeat business.
- Continued quarterly reports for the Lynchburg City Council summarizing tourism program activities (see Appendix B page 12 for present report examples).
- Information about the tourism program to the stakeholders and general public
- Service to walk-in visitors, mail inquiries, advertisement responders, and internet inquiries regarding tourism opportunities.
- Implementation of the recommendations set forth in the VA Tech Audit.
- Benchmarks for performance using the IACVB Standard Performance Reporting Handbook (Appendix E).



Five-Year Tourism Proposal 2006 - 2010

Appendix A

Lynchburg Regional Chamber of Commerce Financial Statements

***Confidential Proprietary Information
Exempt from FOIA Release***



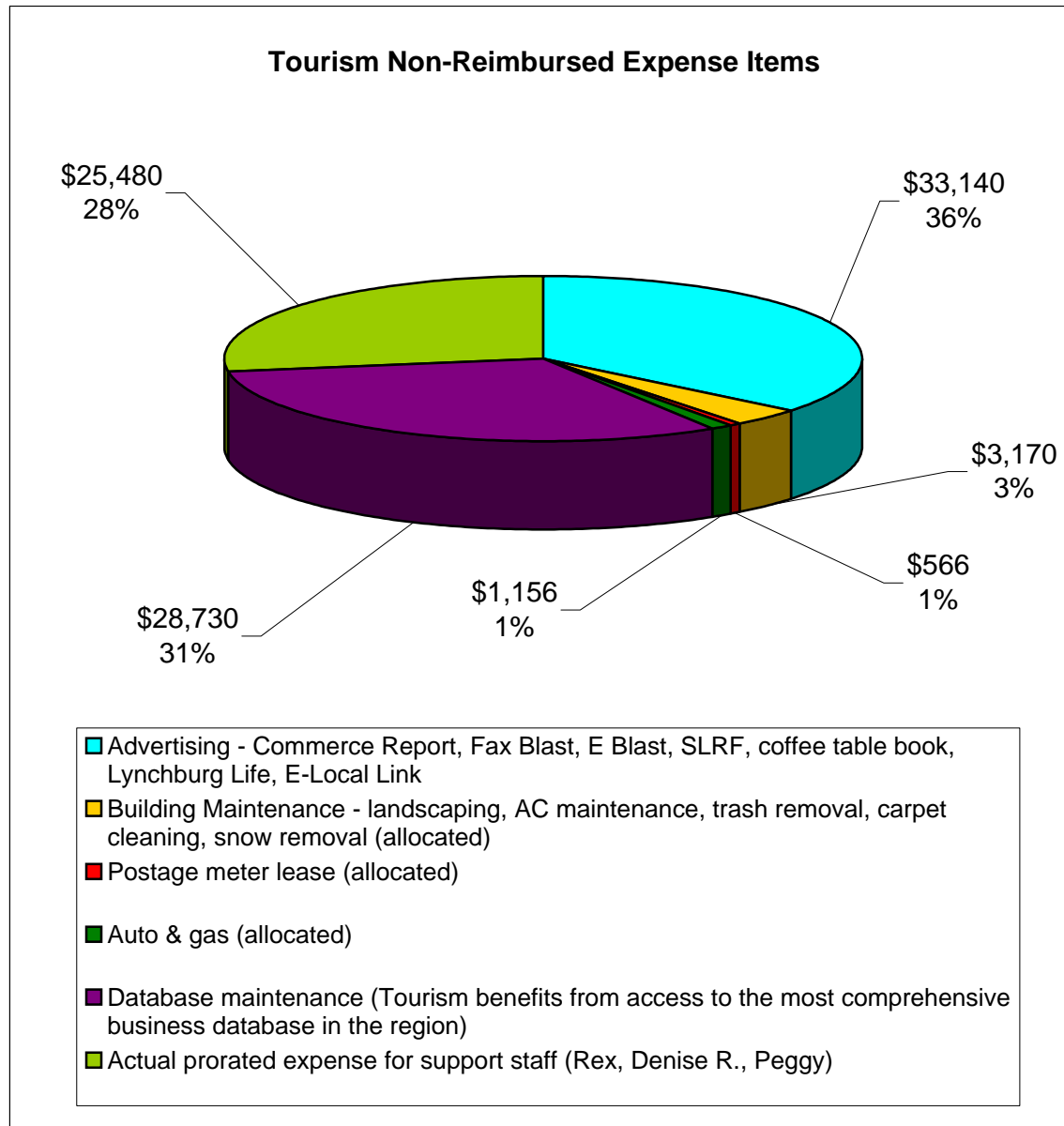
Five-Year Tourism Proposal 2006 - 2010

Appendix B

Lodging Tax Revenue Generation, Visitation Numbers, Tourism Contacts, Sample Tourism Quarterly Report to City Council

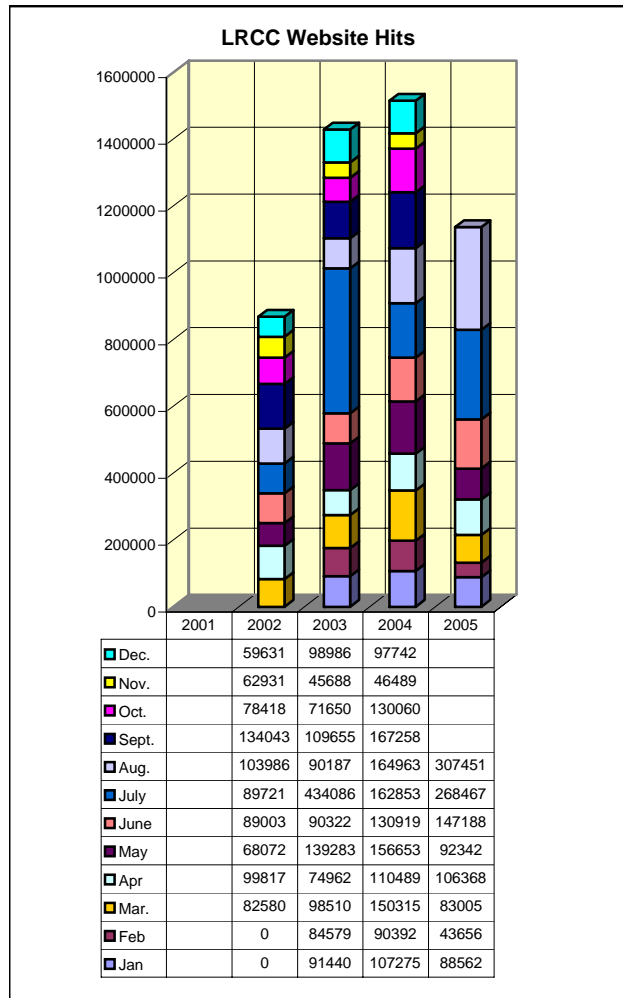
Tourism Non-Reimbursed Expense Items

Advertising - Commerce Report, Fax Blast, E Blast, SLRF, coffee table book, Lynchburg Life, E-Local Link	\$33,140
Building Maintenance - landscaping, AC maintenance, trash removal, carpet cleaning, snow removal (allocated)	\$3,170
Postage meter lease (allocated)	\$566
Auto & gas (allocated)	\$1,156
Database maintenance (Tourism benefits from access to the most comprehensive business database in the region)	\$28,730
Actual prorated expense for support staff (Rex, Denise R., Peggy)	\$25,480
Total (2005)	\$92,242



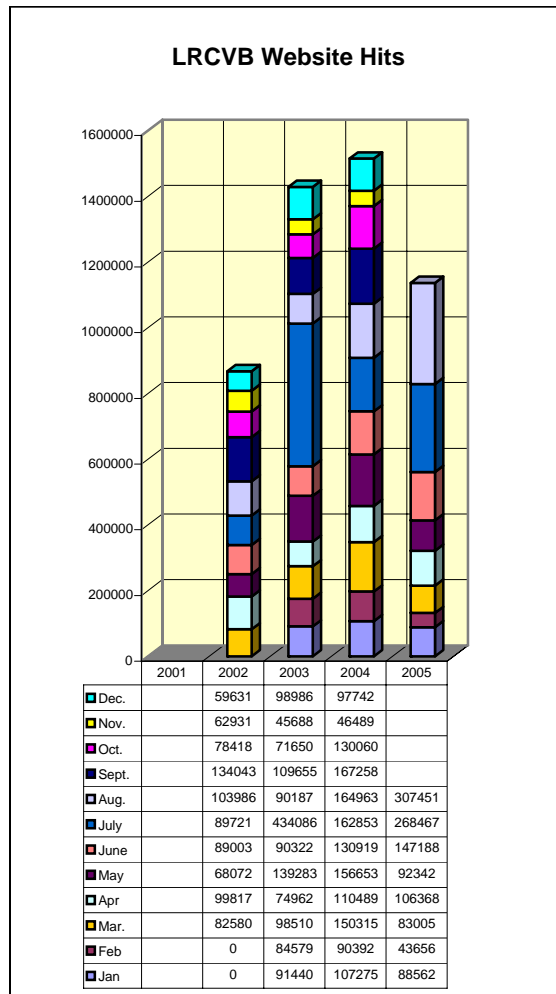
LRCC Website Hits

	2001	2002	2003	2004	2005
	N/A				
Jan		76321 Es	91440	107275	88562
Feb		70523 Es	84579	90392	43656
Mar.		82580	98510	150315	83005
Apr		99817	74962	110489	106368
May		68072	139283	156653	92342
June		89003	90322	130919	147188
July		89721	434086	162853	268467
Aug.		103986	90187	164963	307451
Sept.		134043	109655	167258	
Oct.		78418	71650	130060	
Nov.		62931	45688	46489	
Dec.		59631	98986	97742	
Totals		1,015,046	1,429,345	1,515,408	1,137,039



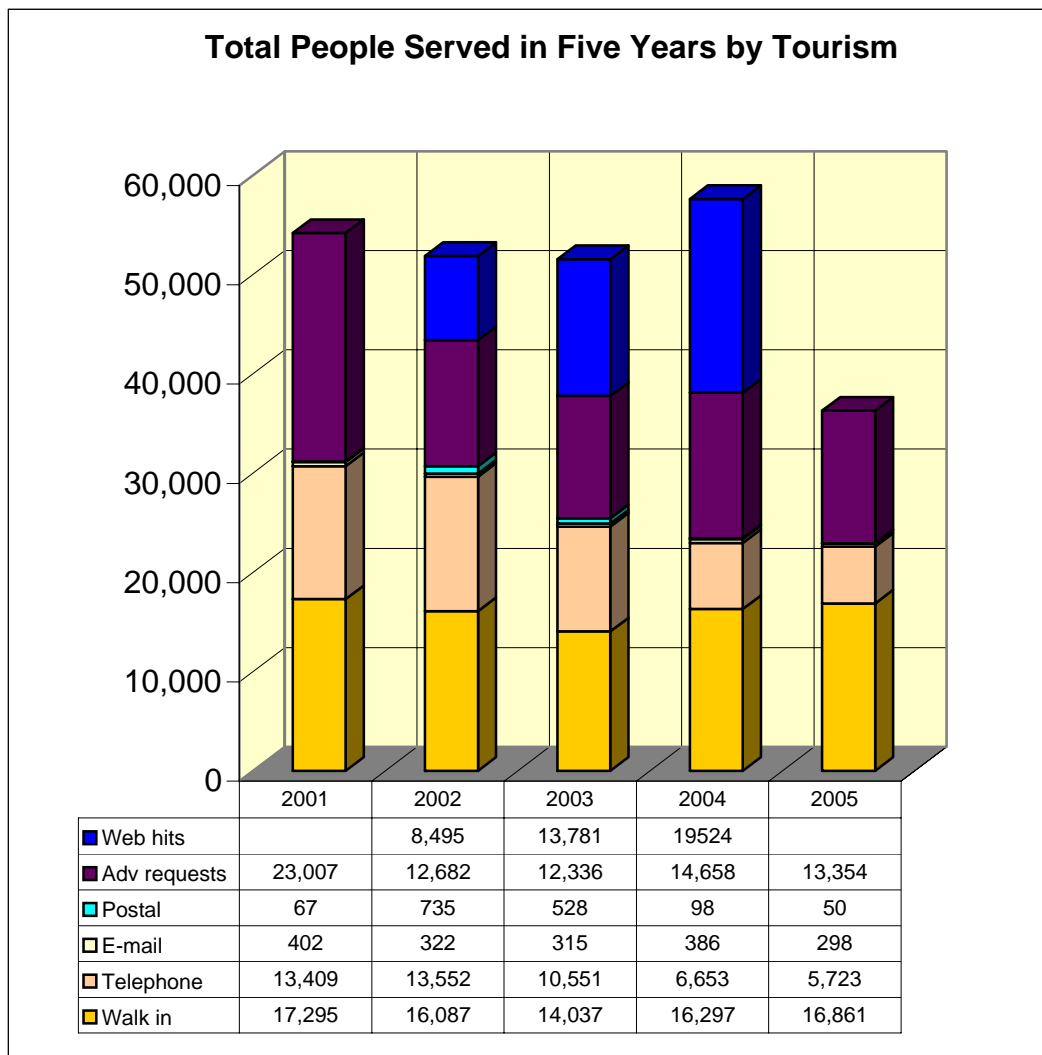
LRCVB Website Hits

	2001	2002	2003	2004	2005
	N/A				
Jan.		23752 Es	23491	36672	
Feb.		25023 Es	25145	46575	
Mar		27689	39563	62121	
Apr		30673	32082	56411	
May		28812	36515	54004	
Jun		26973	32458	64161	
Jul		24426	36865	63586	
Aug		24632	32272	64713	
Sept		25631	38495	57864	
Oct		25876	35321		
Nov		16328	29488		
Dec.		23879	30511		
Totals		303,694	392,206		



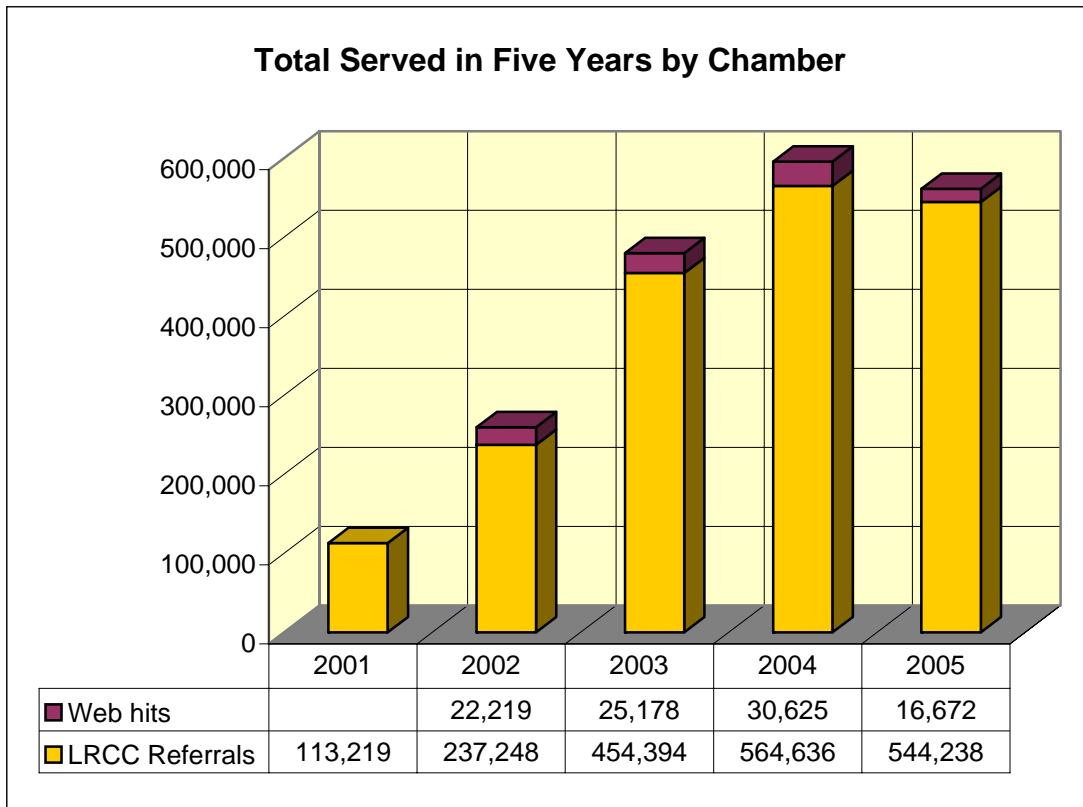
Total People Served in Five Years by Tourism

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>5 year totals</u>
Walk in	17,295	16,087	14,037	16,297	16,861	79,572
Telephone	13,409	13,552	10,551	6,653	5,723	49,888
E-mail	402	322	315	386	298	1,723
Postal	67	735	528	98	50	1,478
Adv requests	23,007	12,682	12,336	14,658	13,354	76,037
Web hits		8,495	13,781	19,524		
	54,180	51,873	51,548	57,616	36,286	208,698



Total People Served in Five Years by Chamber

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	5 year totals
LRCC Referrals	113,219	237,248	454,394	564,636	544,238	1,913,735
Web hits		22,219	25,178	30,625	16,672	94,694
Final Totals	169,400	311,340	533,123	654,881	597,196	2,008,429

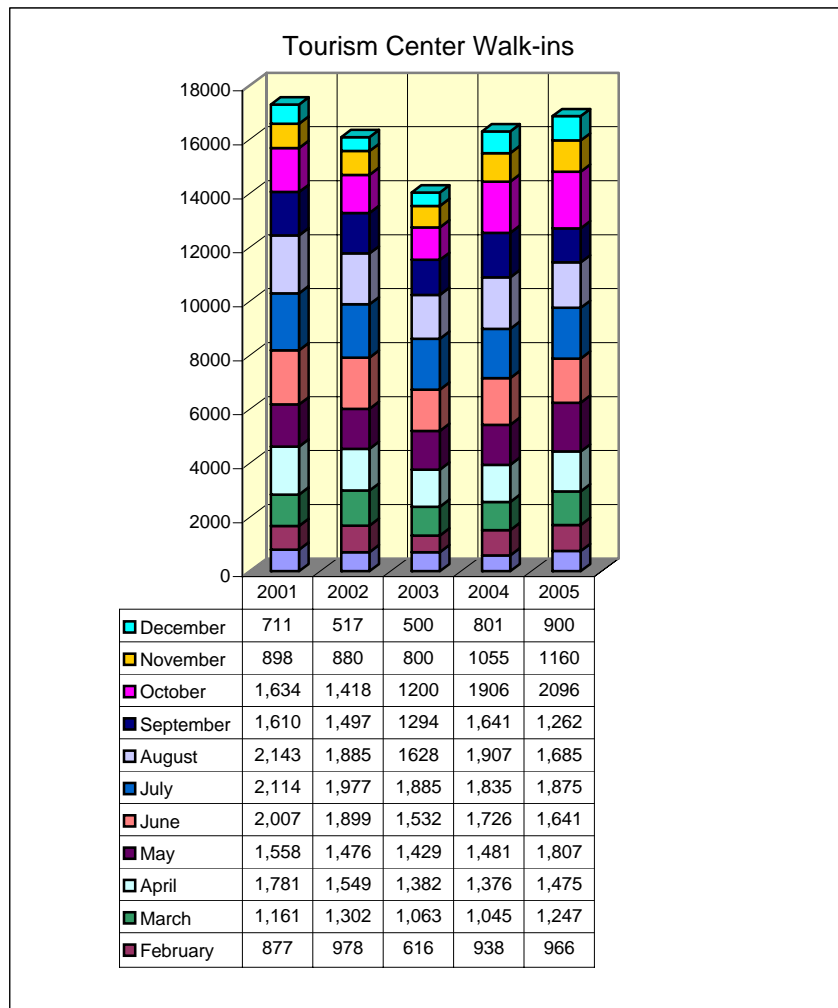


Tourism Center Walk-ins

	2001	2002	2003	2004	2005
January	801	709	708	586	747
February	877	978	616	938	966
March	1,161	1,302	1,063	1,045	1,247
April	1,781	1,549	1,382	1,376	1,475
May	1,558	1,476	1,429	1,481	1,807
June	2,007	1,899	1,532	1,726	1,641
July	2,114	1,977	1,885	1,835	1,875
August	2,143	1,885	1628	1,907	1,685
September	1,610	1,497	1294	1,641	1,262
October	1,634	1,418	<u>1200</u>	1906	2096
November	898	880	<u>800</u>	1055	1160
December	711	517	<u>500</u>	801	900
Total	17,295	16,087	13,037	16,297	16,861

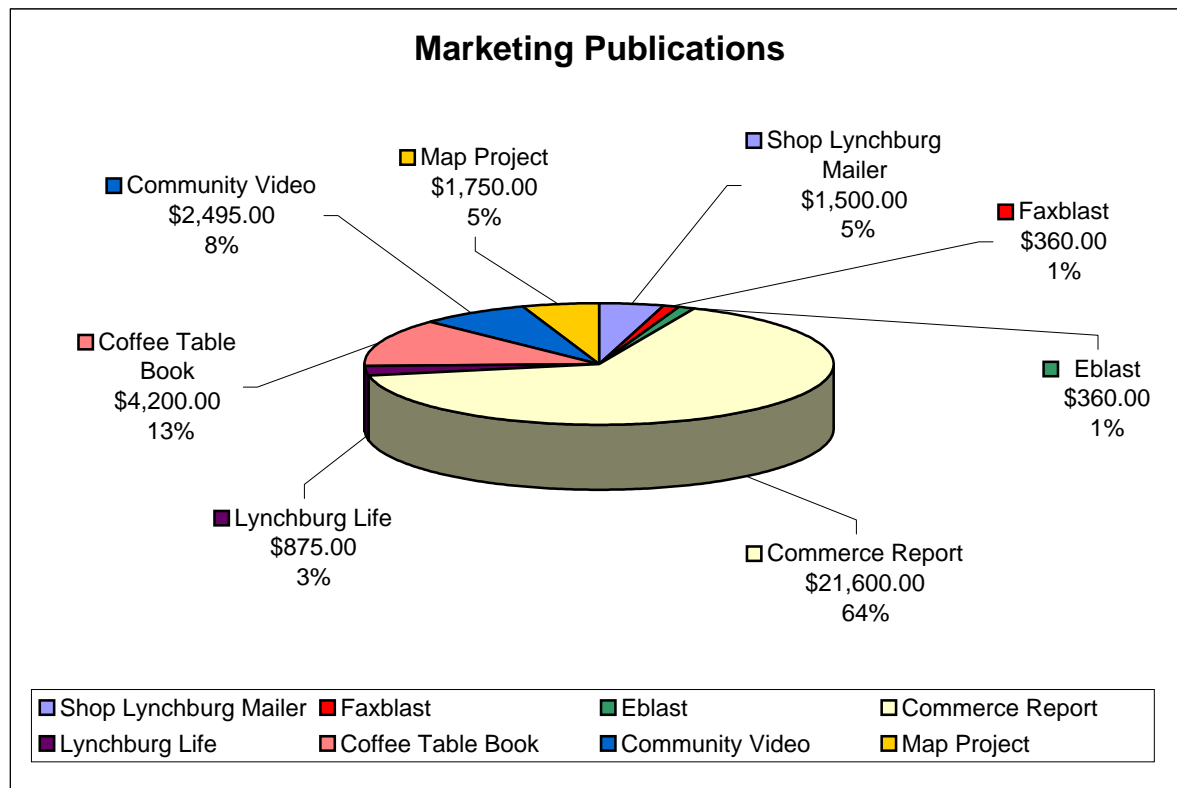
(based on percentage of decrease year to date)

(based on percentage of gain year to date.)

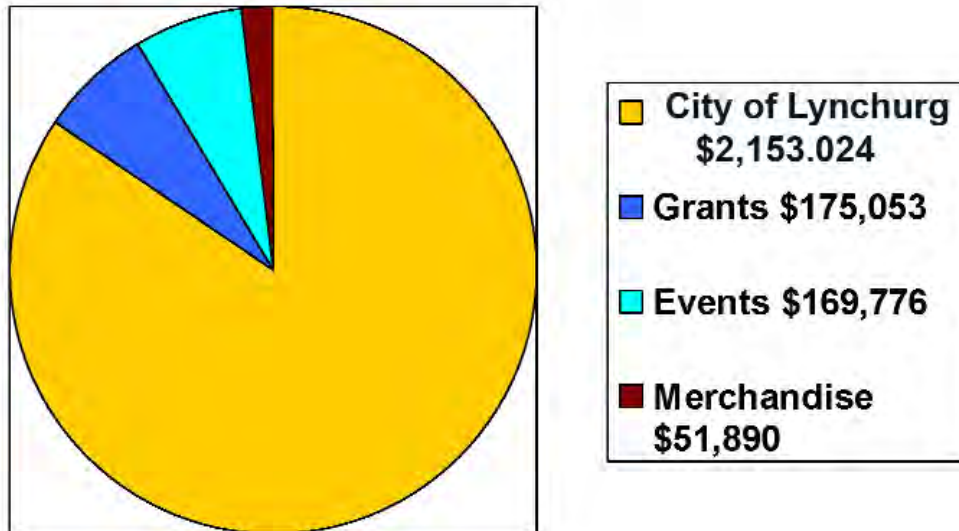


Marketing Publications

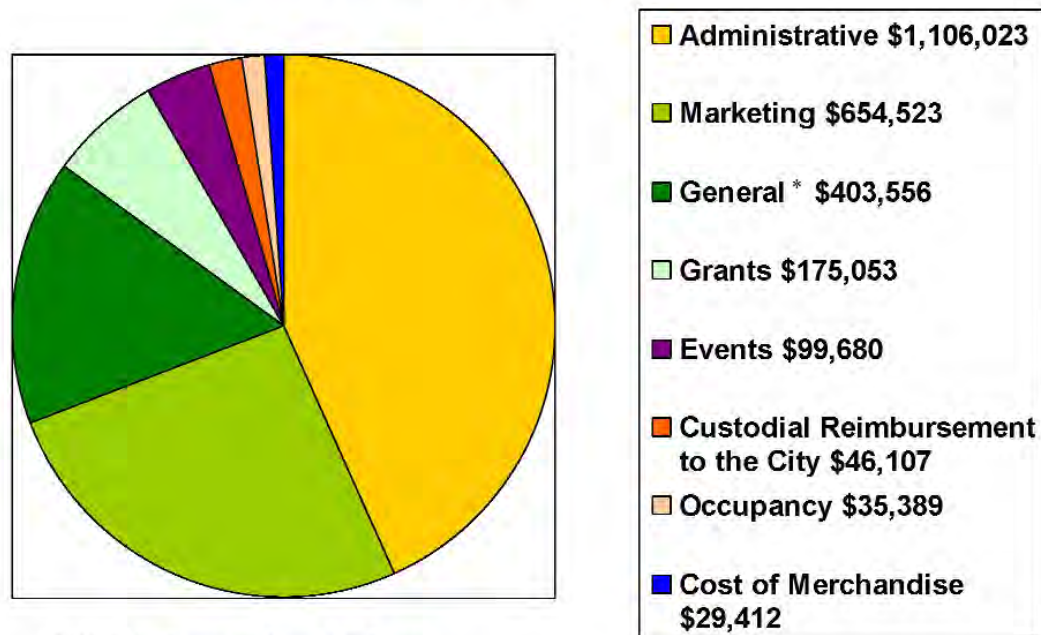
		<u>Quantity</u>	<u>Cost each</u>	<u>Total</u>
Shop Lynchburg Mailer	8 1/2 x 11 Monthly	12	\$125.00	\$1,500.00
Faxblast	Bi-monthly	12	\$30.00	\$360.00
Eblast	Weekly	12	\$30.00	\$360.00
Commerce Report	2 - 9 x 13 Monthly	12	\$1,800.00	\$21,600.00
Lynchburg Life	1/2 Page Blk	1-Jan	\$875.00	\$875.00
Coffee Table Book	9 x 12	1	\$4,200.00	\$4,200.00
Community Video	30 Sec Video	1	\$2,495.00	\$2,495.00
Map Project	4 x 9 Panel	1	\$1,750.00	\$1,750.00
Total				\$33,140.00



LRCVB Income 2001 – August 2005



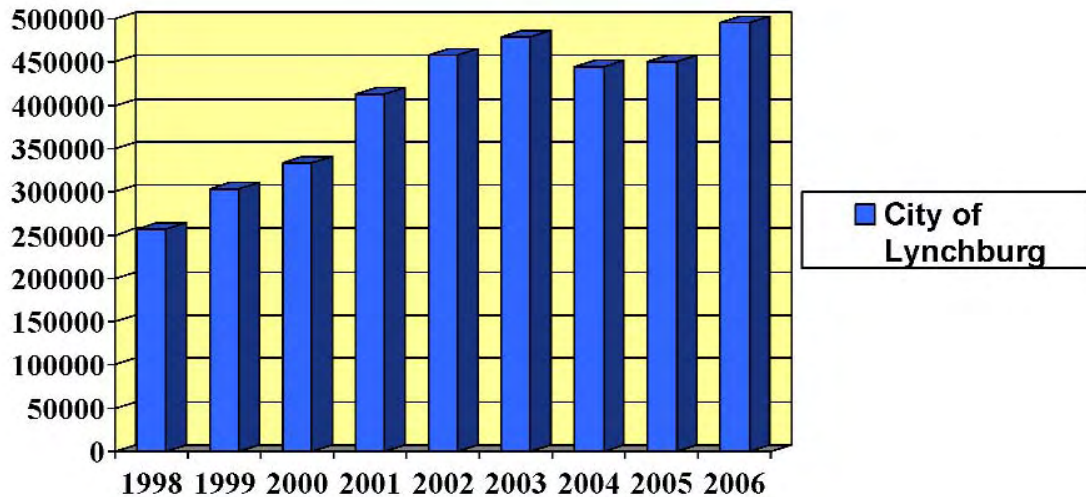
LRCVB Expense 2001 – August 2005



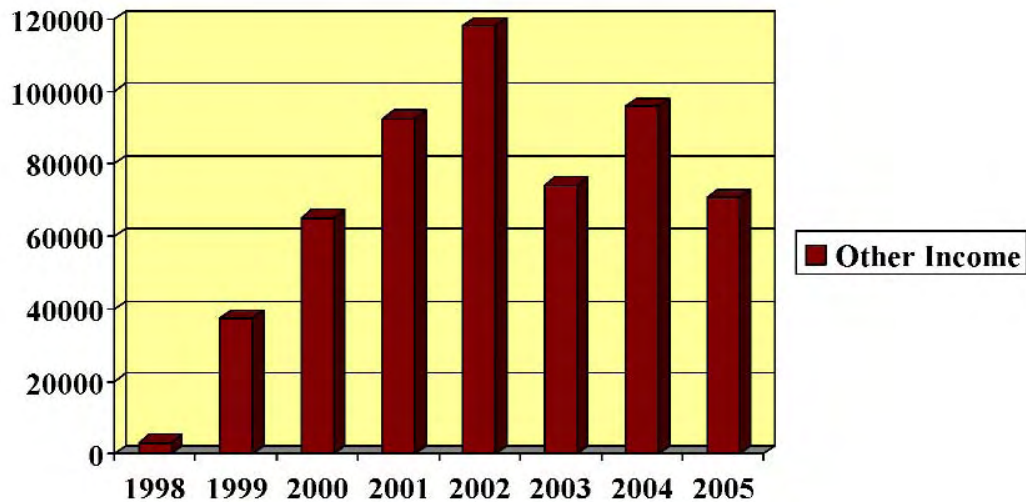
2001 -2004 figures are from Audit Reports.

* General expense category above consists of :office supplies, printing, postage, telephone, dues, travel, equipment lease and rental, equipment repairs and maintenance, depreciation, taxes, meetings, meals & lodging.

LRCVB
City of Lynchburg Payments
1998 - 2006

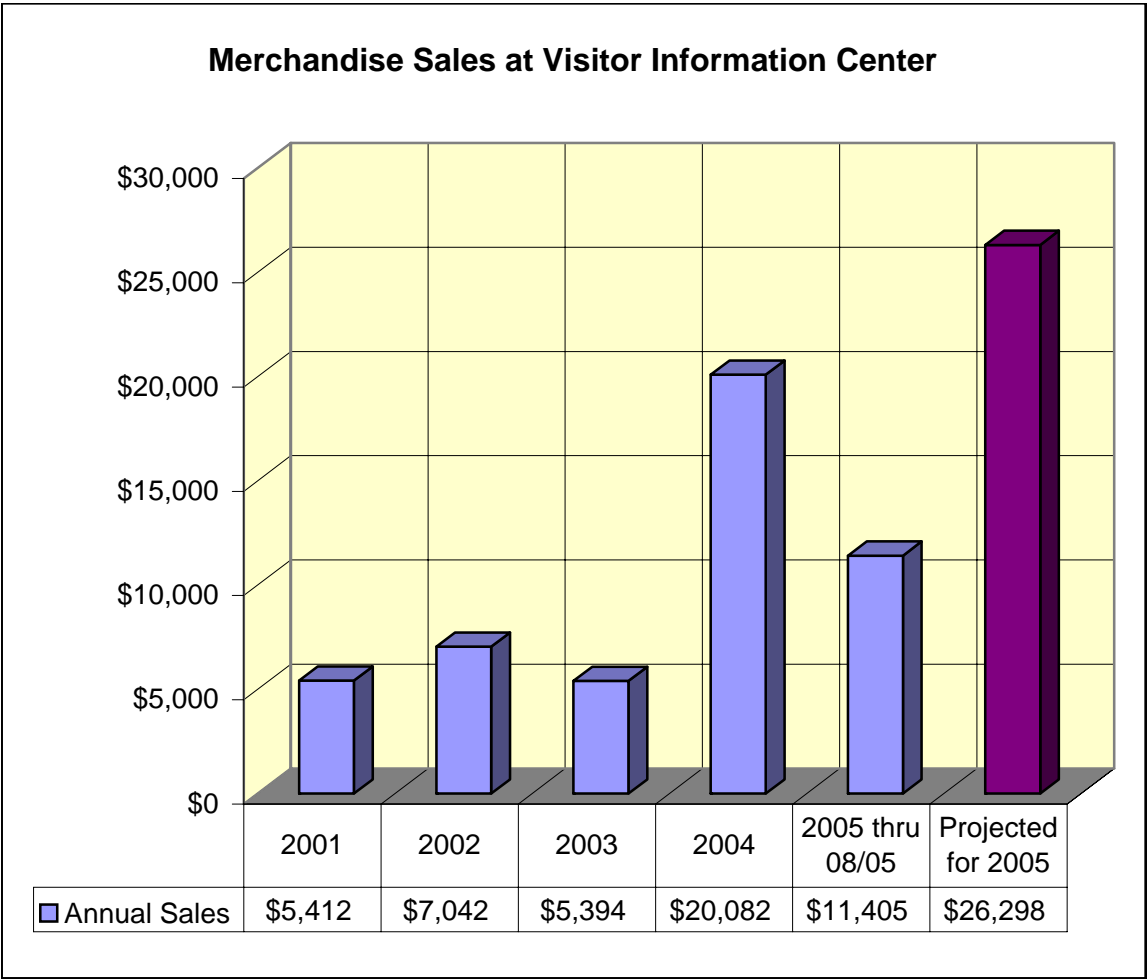


LRCVB
Other Income – 2001 - 2005
(events, merchandise sales, grants)



Merchandise Sales at Visitor Information Center

2001	2002	2003	2004	2005 thru 08, Projected for 2005	
\$5,412	\$7,042	\$5,394	\$20,082	\$11,405	\$26,298



CITY OF LYNCHBURG LODGING TAX SUMMARY

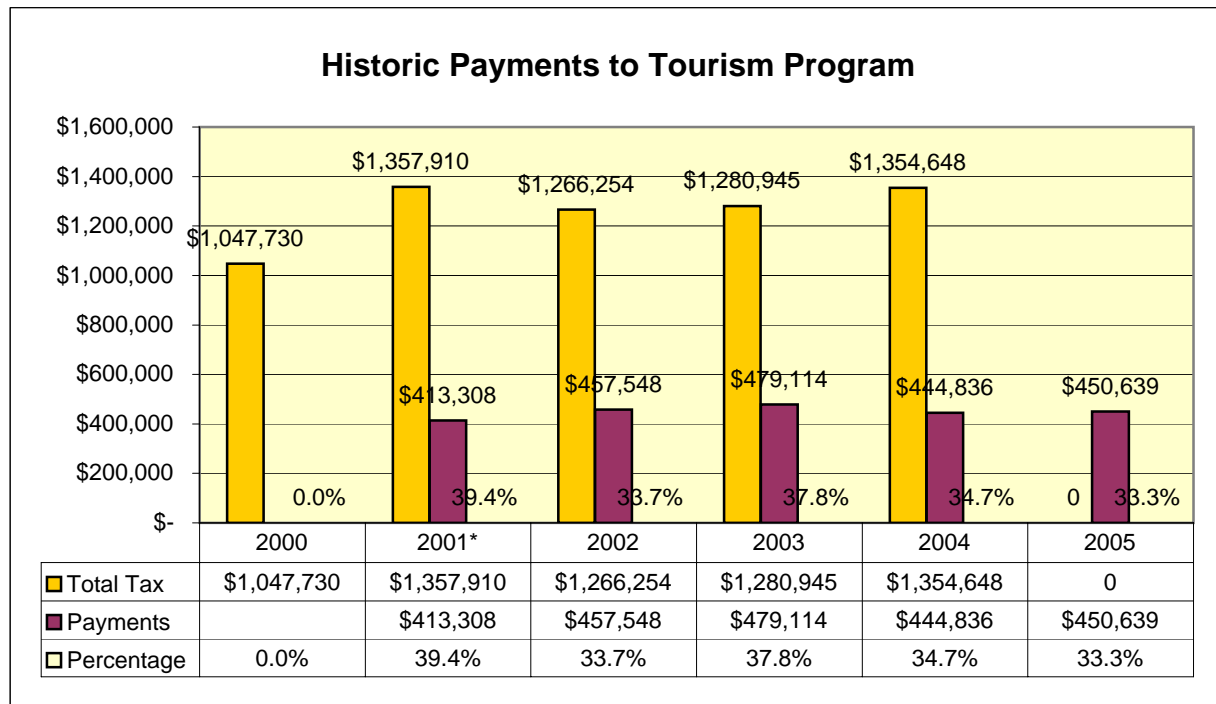
FISCAL YEAR	TAXABLE BASE	\$1 ROOM TAX	5.5% TAX	Total tax	Payments	Percentage
2000	\$ 19,636,983	\$ -	\$ 1,047,730	\$ 1,047,730		0.0%
2001*	\$ 19,726,663	\$ 314,917	\$ 1,042,993	\$ 1,357,910	\$ 413,308	39.4%
2002	\$ 18,385,977	\$ 291,452	\$ 974,802	\$ 1,266,254	\$ 457,548	33.7%
2003	\$ 18,569,578	\$ 299,168	\$ 981,777	\$ 1,280,945	\$ 479,114	37.8%
2004	\$ 19,613,169	\$ 308,123	\$ 1,046,525	\$ 1,354,648	\$ 444,836	34.7%
2005				0	\$ 450,639	33.3%
				\$ 6,307,487		35.8%

* FY 2001 was the first year of the additional \$1 per-room-per-night charge.

Payments to the Lynchburg Regional Chamber for the Tourism Program
(FY payments based on lodging taxes for the previous year)

FY 2005	
FY 2004	\$444,836
FY 2003	\$479,114
FY 2002	\$457,548
FY 2001	\$413,308
	<hr/>
	\$1,794,806

Average percentage of lodging taxes paid to the Lynchburg Regional Chamber - 35.8%





Five-Year Tourism Proposal

2006 - 2010

Appendix C

VA Tech Performance Audit



VA Tech Performance Audit

Executive Summary

Based on the results of the performance audit, the project team has concluded that the Lynchburg Chamber of Commerce, the Lynchburg Regional Convention and Visitors Bureau (CVB), and the Travel Advisory Council (TAC) are in compliance with the requirements outlined in the City contract. Furthermore, the project team concludes that the CVB has been effective in meeting the goals outlined in its mission statement to promote the Lynchburg region and enhance its image as a destination for leisure visitors, groups and sporting events. However, as with any organization, there are opportunities for improvement.

The following is a summary of the Virginia Tech project team's key findings and recommendations related to the performance, operation and effectiveness of the Lynchburg Regional Convention and Visitors Bureau. It is important that these key findings not be taken out of context and the reader review the entire report to have a complete understanding of the information used to reach these conclusions.

Methodology

To complete this report, a project team from Virginia Tech's Office of Economic Development gathered and assessed regional and industry standard data in three phases. During the first phase, the team made site visits to the Lynchburg region to conduct face-to-face interviews with CVB staff, Chamber management, community leaders, and area JR economic developers.

Phase two included a written survey completed by CVB staff, an on-line customer satisfaction survey which was distributed electronically to 144 area tourism stakeholders, and the facilitation of a half-day focus group meeting of representatives from tourism related businesses.

The final phase of the audit consisted of a performance measurement and benchmarking study that was conducted by Virginia Tech graduate students as part of their Advanced Topics in Public Management: Local Government Administration course. The student team selected the following CVBs to benchmark: the Charlottesville/Albemarle Convention & Visitors Bureau, Harrisonburg/Rockingham Convention & Visitors Bureau, and the Roanoke Convention & Visitors Bureau. These CVBs were selected based on their geography, size, and accessibility.

Provided below are a list of significant issues raised and the project team's recommendations:

CVB Operations and Performance - Key Findings

- **Strengths:** Information provided by CVB staff, community leaders, and tourism stakeholders indicate that the CVB's strengths include a well trained staff, effective leadership, and a good working relationship with the State and surrounding counties. The CVB has leveraged their partnership with the chamber to achieve greater recognition in the community.
- **Weaknesses:** Organization weaknesses include poor internal communication (which may be caused by the geographic separation of employees). The project team recognizes that the CVB has recently taken active steps towards addressing this issue.

- Data Collection: The CVB staff prepares quarterly updates highlighting the number of visits to the Visitors Center, sales totals and marketing activities. Under the existing contract, there are no established measures in place that require the CVB to:
 - prepare these updates, or
 - use this data to estimate the economic impact of the CVB's events and activities or performance.
- Performance Measures: The contract between the City and Chamber of Commerce regarding the operation of the CVB lacks performance goals and measures and specific deliverables (i.e., performance reports, progress reports, financial audits, or marketing plan).

CVB Operations and Performance - Recommendations

- Communication: The project team recommends that Chamber/CVB staff and management continue to take steps toward improving internal communications. The Chamber has taken steps toward that end by engaging staff and management in communication and leadership workshops.
- Performance Measures: The Lynchburg CVB should develop a method for obtaining, analyzing and reporting the results of their performance. The project team recommends the performance reporting techniques outlined in the IACVB's Recommended Standard CVB Performance Reporting: A Handbook for CVBs. A copy of the handbook is provided in Appendix A.

Governance - Key Findings

- Governing Bodies: The LRCVB is currently governed by two organizations: the Chamber of Commerce who serves as the parent organization; and, the Travel Advisory Council (TAC), who advises the Chamber on the operations of the Bureau.
- Chamber: The LRCVB is one of twenty destination marketing organizations in the Commonwealth that operate as an arm of the Chamber. Of those twenty organizations, three are Convention and Visitors Bureaus (CVBs).
- Chamber: The CVB shares resources with the Chamber including human, physical and fiscal capital. Based on focus group findings, it does appear that the CVB is adequately leveraging its affiliation with the Chamber in order to increase its recognition in the community.
- TAC: The TAC is comprised of twelve members. Six representatives are appointed by the City and six representatives are appointed by the Chamber. The current City contract does not clearly define the purpose and/or role of the TAC regarding accountability and oversight issues,
- require that representatives from local governments served by the CVB be represented, or 3) provide for budget oversight authority.
- TAC: The TAC currently acts as an advisor to the LRCVB, as well as a liaison between the CVB and the Chamber, but has relatively limited substantive input regarding the operations of the Bureau or the strategic planning process.

Governance - Recommendations

- TAC - The project team recommends that the role and composition of the Travel Advisory Council be specified in future contracts. Best practices indicate that CVB Advisory Councils include a representative from each of the communities located in the CVB service area and at least one representative from each of the primary tourism stakeholders served (i.e. lodging, attractions, restaurants, etc.).
- TAC - The project team recommends that the CVB consider developing a Travel Advisory Council member application form that assesses an applicant's tourism industry experience, their ability to meet the time commitments required of council members, and their marketing and strategic visioning skills. For reference, a copy of the Tourism Advisory Council Member Application Form for Prince Edward Island is provided in Appendix B.

Tourism Stakeholders - Key Findings

- Communication: The CVB collects data and produces numerous reports for the Travel Advisory Council for its internal use (Visitor Center traffic, Group sales, number of leads received at trade shows, and marketing activity). Under the existing contract, the CVB is not required to prepare these reports or provide estimates of the economic impact of their activities.
- Economic Indicators: Because the CVB does not currently have an effective means to estimate the effectiveness of their programs and activities, stakeholders are not fully aware of the economic impact the organization has on the community.

Tourism Stakeholders - Recommendations

- Communication: To increase and improve communication with stakeholders, the project team recommends the CVB:
 - share the information collected and prepared for internal reports with stakeholders until a formal performance measurement has been identified, and
 - conduct bi-monthly forums that would allow stakeholders to participate in discussions with CVB management and staff.
- Economic Indicators: The Bureau should develop benchmarking indicators against other CVBs to measure performance on a periodic basis. These comparisons should then be communicated with tourism stakeholders and the Lynchburg community.

PMB - Key Findings

- Funding: The mission of the LRCVB is to promote the Lynchburg region (including the counties of Amherst, Appomattox, Bedford, Campbell, and Nelson as well as the cities of Lynchburg and Bedford) as a destination for leisure visitors, group and sporting events. The primary source of the LRCVB's funding comes from revenues generated from the City of Lynchburg's occupancy tax and \$1 per fee per room/night (of which the CVB receives only \$0.35 for each \$1.00 charged). Additional funding is generated through events and gift shop sales.
- Internet: In comparison to peer CVBs, Lynchburg is doing an adequate job to have itself located on the internet, but there is room for improvement.

PMB - Recommendations

- Funding: The Lynchburg Regional CVB receives its funding from revenue generated by room stays in the City of Lynchburg, events, and merchandise sales. Peer CVBs have larger operating budgets because they receive funding from all of the communities they serve. The CVB may wish to consider such an arrangement to improve its competitive position versus its peer organizations.
- Internet: The CVB should attempt to increase their web presence by:
 - including key words on their webpage to increase the likelihood of “hits” and,
 - utilizing Meta Tags (“comments” in the source code) to make it easier for users to find the web site.



Five-Year Tourism Proposal

2006 - 2010

Appendix D

Examples of

Advertising/Marketing Materials





Five-Year Tourism Proposal

2006 - 2010

Appendix E

IACVB

Recommended Standard CVB

Performance Reporting

